United States Senate

WASHINGTON, DC 20510

December 23, 2002

The President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

The Low-Income Home Energy Assistance Program (LIHEAP) is the primary federal program available to help low-income households and senior citizens pay their home energy bills. These families often carry a higher energy burden than most Americans – spending up to 20 percent of their income on home energy bills. We write to request that you support \$1.7 billion in regular LIHEAP funding and \$300 million in contingency funds for fiscal year 2003 and request at least this level of funding for fiscal year 2004.

In its "Winter Fuels Outlook 2002-2003", the Energy Information Administration forecasts that the price of home heating fuels could rise 19 percent for natural gas and 45 percent for heating oil. Families could pay \$710 to heat their homes with natural gas, \$934 to heat with oil and \$1,082 to heat with propane. Winter this year started in October. According to the National Weather Service, this October was the coldest since 1976, and the majority of the country experienced below average temperatures this November. When your fiscal year 2003 Budget proposed the \$300 million cut in LIHEAP earlier this year, it did so "in response to Department of Energy forecasts of lower fuel costs." It will take \$2 billion to maintain the purchasing power for the LIHEAP program this winter compared to last year. At \$1.4 billion, states could be forced to deny assistance to over 500,000 low-income households and senior citizens. Given the forecast for a cold winter, we hope the Administration will reconsider its assessment of LIHEAP funding. When Congress reconvenes in January to consider the fiscal year 2003 appropriation bills, we urge the Administration to support \$1.7 billion in regular funding proposed in the Senate Labor, Health and Human Services, and Education Appropriation bill.

We are also writing to request that you provide at least \$1.7 billion for regular LIHEAP funding and propose advance funding in your fiscal year 2004 budget. Currently, states are serving less than one-fifth of the 29 million households eligible for assistance. We recognize the difficult choices that you face in shaping the fiscal year 2004 budget, however, we believe that the strong and continued growth in households seeking LIHEAP assistance demonstrates that the funding needed for this program has never been greater. The LIHEAP program remains seriously underfunded. The program needs over \$3 billion simply to equal the purchasing power it provided in 1982. Without LIHEAP assistance, low-income families and senior citizens face the impossible choice between paying their home energy bills or affording other basic necessities such as prescription drugs, housing and food.

Page Two Letter to the President FY2003 and FY2004 LIHEAP Budget

Advance funding for the program allows states to plan more efficiently, and therefore, more economically. State LIHEAP directors begin planning in spring and early summer for the upcoming year. Without advance funding, state directors are unable to plan program outreach or leverage resources as effectively. Advance funding will also ensure that states have the necessary resources to open their programs at the beginning of the fiscal year in order to provide timely assistance to low-income families who cannot afford to wait.

Your leadership is needed to help ensure that low-income families, senior citizens and disabled individuals get the assistance they need to remain warm and safe this winter. Thank you for your attention to this urgent request.

Sincerely,

Susan M. Collins

Edward M. Kenned

Lincoln Chafee

den. Jr. Joseph

Mike DeWine

Evan Bayh